

U.S. Department of Justice

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NEWS RELEASE

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Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced today that Elizabeth Josephine Cooper of Berryville, Virginia, was sentenced in United States District Court in Alexandria by the Honorable Claude M. Hilton to serve twenty-seven months imprisonment and to pay \$800,000 restitution to F&M Bank (now BB&T Bank). Cooper was convicted of bank embezzlement stemming from her scheme to embezzle funds from the Leesburg branch of F&M Bank. Total losses to the bank were between \$800,000 and \$1 million.

Cooper is a former assistant manager and loan officer at the Leesburg branch of F&M Bank. She was employed there from September 1993 until her transfer in June 2000. During her employment, Cooper began to embezzle money from customer accounts, periodic loan payments, and full loan payoff amounts received from F&M customers. Cooper used this money for her own purposes. As a result of Cooper's scheme, the borrowers' payments were not credited to their loan accounts and the borrowers' outstanding loan balances were not

reduced by the amounts of their payments. When it became necessary to replace the loan payments she had embezzled, Cooper embezzled subsequent loan payments from other F&M borrowers and the cycle continued and expanded.

When legitimate loan payments available to Cooper were no longer large enough to replace her prior embezzlements, Cooper began to process fraudulent loans and use the proceeds from these loans to replace her prior embezzlements and for her own purposes. Cooper frequently processed these loans in the names of actual F&M customers who were entirely unaware of the loans and who received none of the proceeds of these loans.

“This prosecution demonstrates that the cost of embezzling from your employer will get you short term gains but long term losses, such as imprisonment and the loss of your reputation. This case should serve as a warning to others that you will be caught and you will be prosecuted,” stated U.S. Attorney McNulty.

The case was investigated by the Federal Bureau of Investigation and prosecuted by Assistant United States Attorney John J. Klein.